



LAW OFFICE OF JONATHAN LEE ALMANZA
222 W. UNIVERSITY DR. EDINBURG TX 78539
P: 956 [REDACTED] F: 956 [REDACTED]

Response to Agua SUD's Unjustified Termination

"Our Office is both shocked and disappointed in the Agua SUD Board's decision today, which can only be explained as personal vendetta against O.G. Construction. The Project is over 99% complete, and instead of working amicably with O.G. Construction to see that the little left of project is completed, the Board chose this time to terminate to avoid ever paying O.G. Construction for its services. Since the project's inception, the Board never wanted O.G. and the contract was only provided because of the State's intervention due to Agua SUD's failure to comply with the law. It is no secret that politics combined with government contracts can be difficult and dirty. For anyone who has ever worked with a governmental entity, you are aware that you are at the mercy of a Board, who only risks the monies of its taxpayers.

O.G. Construction, for months, worked without pay and in fact as of today, O.G. is owed over \$1,000,000.00 for services rendered from July 15, 2019 to present. O.G., per its contract, had the right to terminate and abandon the job months ago, the moment payments had become due for over 60 days. Instead, it self-funded and took out loans to make sure the project was complete, that roads were paved and that its reputation stayed intact. As of today, O.G. is less than 30 days from completion, which is less than \$100,000.00 in actual remaining services. Agua SUD, however, has chosen to withhold over \$1 million in payments for past services. Regardless of the circumstances, O.G. has never threatened or ceased operations, even under the possibility of bankruptcy.

In regards to Agua SUD's assertion that O.G.'s work was defective and that the decision to terminate was made for the benefit of the community, to those who are familiar with the project, this is simply untrue. Confirmed deficiencies were remedied and, until today, O.G. was promised a sealed engineering report to confirm other deficiencies before mobilizing to correct them. The report never came, because the engineer for Agua SUD refused to adopt Agua SUD's alleged deficiencies with its professional seal. O.G. encourages the community to make an effort to understand the full details of this project before concluding that any one party is responsible. O.G. Construction will be vindicated in a court of law, should that become necessary, and will show that the project was delayed through no fault of the Contractor. That said, O.G. sincerely hopes that litigation is not necessary to move forward in negotiating an expeditious resolution of this project for the community of Palmview.

O.G. Construction, its owner Omar Garcia, and its staff met with members of the community to hear their concerns, worked with the City of Palmview to speed up the road paving and faced all criticisms head on. This happened all while not getting paid and being threatened with termination for months. As an example, recently, O.G. was threatened with termination if specific work was not completed and a change order for that work was not signed. Now, Agua SUD has taken the position that it is not responsible for paying for that same work and has refused to approve that change order for payment. The Board's decision today benefits no one except Agua SUD, its Engineer and its attorneys, with the taxpayers, the residents of the City of Palmview and O.G. Construction to foot the bill."